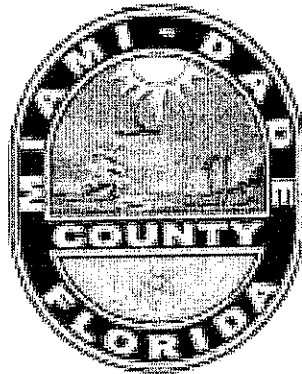


Miami Dade County

Stephen P. Clark Government Center
111 N.W. 1st Street
Miami, FL 33128



LEGISLATIVE ANALYSIS

Monday September 20, 2004
2:00 PM
Commission Chambers

Board of County Commissioners

Transportation Committee

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

*RESOLUTION DIRECTING THE COUNTY MANAGER TO STUDY THE FEASIBILITY
OF PURCHASING FUTURISTIC BUS RAPID TRANSIT VEHICLES FOR THE SOUTH
DADE BUSWAY*

Commissioner Dennis C. Moss

I. SUMMARY

This resolution directs the County Manager to study the feasibility of utilizing more "Futuristic" type buses along the Bus Rapid Transit (BRT) route known as the South Miami-Dade Busway.

II. PRESENT SITUATION

Presently, Miami-Dade Transit (MDT) utilizes mainly regular 40 Foot "Large" buses along the busway route.

Currently, at peak hours, 51 buses are required (plus 20% if need totaling a possible 61 buses) to meet the operational needs along the South Miami-Dade Busway.

In accordance with a current County contract with North American Bus Services, Inc. (NABI) each of the "regular" 40 Foot Buses costs the County approximately \$290,000 per bus and associated costs.

The following Cities are some the have begun to utilize more futuristic buses along BRT routes in an attempt to increase ridership.

- Los Angeles, California
- Ottawa, Canada.
- Bogotá, Columbia
- Pittsburgh, Pennsylvania
- Minneapolis, Minnesota
- Boston, Mass.
- Phoenix, Arizona

III. POLICY CHANGE AND IMPLICATION

This would require different, and probably a bit more expensive, type of vehicle to operate along the busway (or BRT) in an attempt to increase ridership along the route.

The intent is that a more technologically advanced system would entice drivers out of their cars and help to relieve congestion along the US 1 corridor.

Transportation ITEM 2(A)
September 20, 2004

Some technologies may include:

- Intelligent Transportation Systems
- Wireless Internet Access
- Televisions on vehicles displaying news.
- Pre-paid fare collection systems which help to decrease the time spent at each stop.
- Systems to alert riders when the next bus will arrive at any given stop via their cell-phones.

IV. ECONOMIC IMPACT

There would be some negative fiscal impact associated with increased price-per-bus for the more futuristic looking buses.

However, the level of increase would be dependant on the options negotiated into the new buses.

By 2007, when the extension to the busway is anticipated to be completed, it is estimated that it will require 95 buses (plus 20% spares for a total of 114 buses) to operate the busway during peak hours.

V. COMMENTS AND QUESTIONS

None

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

*RESOLUTION APPROVING MIAMI-DADE TRANSIT'S USE OF SURTAX FUNDS
FOR CONTRACT NUMBER 6402-0/04 FORTY FOOT LOW FLOOR TRANSIT
COACHES WITH NORTH AMERICAN BUS INDUSTRIES FOR THE PURCHASE OF
COACHES FOR THE PEOPLE'S TRANSPORTATION PLAN*

Miami-Dade Transit Agency

I. SUMMARY

This resolution seeks a reimbursement, from Transportation Surtax Funds, for Miami-Dade Transit for approximately \$29 million utilized for the purchase of 100 Forty foot Low-floor buses.

II. PRESENT SITUATION

In May 2000 the Board of County Commissioners (BCC) approved the purchase of 321 40-foot Low-floor Coaches from North American Bus Industries (NABI). The contract contained an option for up to 321 additional buses for a possible 624 buses over five years.

The total cost of all 624 buses and associated equipment totaled \$182,274,757.

The original agenda item listed the following funding sources:

- FTA Bus Discretionary Funding
- FTA formula grants
- Local Option Gas Tax
- Leverage Lease deals

On November 5, 2002, the Charter County Transportation Surtax (.5% Surtax) was approved by the voters of Miami-Dade County for the implementation of the Peoples Transportation Plan (PTP). Contained in the PTP is a provision for the expansion of the County's Bus Fleet by approximately 491 buses.

III. POLICY CHANGE AND IMPLICATION

Because expansion of the Bus Fleet was included in the PTP, the cost of additional buses could be funded from the .5% Surtax.

However the PTP, in Exhibit 1, states that: "**minibuses shall be used on all new routes...**"

The contract with NABI being referenced by this item was approved for the replacement of "Large" 40 foot buses.

Transportation ITEM 3(G)
September 20, 2004

However, because this contract was approved prior the passage of the Surtax and listed alternative funding sources, allowing reimbursement from the Surtax could set a dangerous precedent.

What if another Department request reimbursement, from the Surtax, for a project approved prior to the passage of the Surtax but is still consistent with projects listed in the PTP?

For example, the Public Works Department could contend that a road paving contract approved prior to the passage of the surtax could be eligible for reimbursement from the Transportation Surtax because "road paving" is listed in the PTP.

IV. ECONOMIC IMPACT

The total reimbursement for the 100 buses, and associated equipment, received to date would be \$29,163,021.

This represents approximately \$291,000 per bus and associated equipment..

However, if the funding source change is allowed, the total impact to .5% Surtax could be over \$182 million if this contract is fully utilized.

V. COMMENTS AND QUESTIONS

On September 9, 2003 the BCC approved the advertisement of RFP No. 407 for the procurement of up to 400 "Small" Low-floor Transit Buses over a period of four (4) years.

The cost estimate presented in the RFP approved in September of 2003 was \$201,500,000 for 800 buses. (Approximately \$251,875 per bus)

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION REJECTING AND RE-ADVERTISING THE PROJECT ENTITLED DRAINAGE; PUBLIC WORKS DEPARTMENT (PWD), PROJECT NUMBER 20030008 FOR PEOPLE'S TRANSPORTATION PLAN

Public Works Department

I. SUMMARY

The Public Works Department (PWD) is requesting approval to **Reject all Bids** associated with Drainage project No. 20030008 and Re-Advertise said project.

The Department estimate for this contract was \$1,000,000.

The following three proposals were received:

- Petro Hydro, Inc. - \$ 1,844,398
- Pilome Engineering, Inc. - \$ 2,591,035
- Williams Paving Company - \$ 3,015,137

The Department contends that the lowest bidder, **Petro Hydro, Inc.**, was not in compliance with CSBE participation provisions after an evaluation by the Department of Business Development (DBD).

II. PRESENT SITUATION

There are currently a number of similar drainage projects being performed across Miami-Dade County.

On July 27, 2004, at the request of the Public Works Department, the Board of County Commissioner approved the awarding of Drainage Project No. 20030009 for \$1,000,000 to **Petro Hydro, Inc.**

At that time, **Petro Hydro, Inc.**, and their subcontractor were compliant for an identical contract.

To date, **Petro Hydro, Inc.**, has received approximately \$9,000,000 in previous business from the County in the past five (5) years.

III. POLICY CHANGE AND IMPLICATION

This rejection would create further delays associated with this project.

Further, a rejection would allow, other contractor as well as the two more expensive proposers listed above, to see the bid prices submitted by the lowest bidder.

IV. ECONOMIC IMPACT

This contract is estimated at \$1,000,000.

However, as with open contracts of this nature, it is not uncommon that Change Orders may be utilized to address new pay items during the term of this project.

PLEASE SEE COMMENT BELOW

V. COMMENTS AND QUESTIONS

Why were the proposed prices for this contract so much higher than the estimated contract amount?

- Petro Hydro, Inc. - 80% higher
- Pilome Engineering, Inc. - 159% higher
- Williams Paving Company - 300% higher

At least 2 of these 3 companies have had numerous projects with the County of a similar nature.

Was there a problem with the original estimate for this project?

How can a company like Petro Hydro, who was CSBE certified for an identical contract only 8 weeks ago, not be certified for this contract?